



September 2, 2015

VIA ELECTRONIC FILING

Ms. Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Ms. Boyd:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430
Docket No. 2015-7-G

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending June 30, 2015, for Piedmont Natural Gas Company, Inc.

If you have any questions about this filing, you may reach me at 704-731-4560 or Robert Thornton at 704-731-4148.

Sincerely,

s/ Jenny Furr
Jenny Furr
Manager, Regulatory Reporting

Enclosures

c: ORS – Tom Allen (via UPS overnight)
ORS – John Flitter (via UPS overnight)
Shannon Hudson
James H. Jeffries IV

Net Operating Income and Rate of Return
For The Twelve Months Ended June 30, 2015
South Carolina
Page 1 of 2

	(1)	(2)	(3)
	<u>Per Filing</u>	<u>Accounting And Pro Forma Adjustments</u>	<u>After Pro Forma Adjustments</u>
Operating Revenues			
Sale of Gas	\$ 133,549,070	\$ (16,361,409)	\$ 117,187,661
Other Operating Revenues	937,203	-	937,203
Total Operating Revenue	<u>\$ 134,486,273</u>	<u>\$ (16,361,409)</u>	<u>\$ 118,124,864</u>
Operating Expenses			
Cost of Gas	\$ 67,153,123	\$ (17,746,602)	\$ 49,406,521
Other Operation & Maintenance	26,679,737	(788,373)	25,891,364
Depreciation	12,207,683	1,160,166	13,367,849
General Taxes	7,164,517	(121,516)	7,043,001
State Income Taxes	904,383	(42,795)	861,588
Federal Income Taxes	5,149,980	556,778	5,706,758
Amort. of ITC	(16,146)	-	(16,146)
Total Operating Expenses	<u>\$ 119,243,278</u>	<u>\$ (16,982,343)</u>	<u>\$ 102,260,935</u>
Net Operating Income	<u>\$ 15,242,996</u>	<u>\$ 620,934</u>	<u>\$ 15,863,929</u>
Interest on Customer Deposits	(101,474)	-	(101,474)
Amortization of Debt Redemption Premium	-	-	-
AFUDC	71,655	-	71,655
Customer Growth	109,750	4,471	114,220
Net Operating Income For Return	<u>\$ 15,322,926</u>	<u>\$ 625,404</u>	<u>\$ 15,948,331</u>
Original Cost Rate Base			
Plant in Service	\$ 476,582,408	\$ -	\$ 476,582,408
Accumulated Depreciation	(203,646,343)	-	(203,646,343)
Net Plant in Service	<u>\$ 272,936,065</u>	<u>\$ -</u>	<u>\$ 272,936,065</u>
Add:			
Construction Work in Progress	13,973,320	-	13,973,320
Materials and Supplies	10,466,472	-	10,466,472
Cash Working Capital	2,611,365	(98,547)	2,512,818
Deduct:			
Customer Advances for Construction	-	-	-
Customer Deposits	2,921,566	-	2,921,566
Accumulated Deferred Income Taxes	69,175,301	-	69,175,301
Unclaimed Funds	66,759	-	66,759
Total Original Cost Rate Base	<u>\$ 227,823,596</u>	<u>\$ (98,547)</u>	<u>\$ 227,725,049</u>
Return on rate base	<u>6.73%</u>		<u>7.00%</u>

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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Settlement Capitalization	Calculated Ratio %	Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 1,369,853,706	\$ -	\$ 1,369,853,706	49.39%	45.00%	\$ 102,476,272	5.03%	2.26%	\$ 5,154,556
2. Common Equity	1,403,426,880	-	1,403,426,880	50.61%	55.00%	125,248,777	8.62%	4.74%	10,793,774
3. Total	<u>\$ 2,773,280,586</u>	<u>\$ -</u>	<u>\$ 2,773,280,586</u>	<u>100.00%</u>	<u>100.00%</u>	<u>\$ 227,725,049</u>		<u>7.00%</u>	<u>\$ 15,948,331</u>

CERTIFICATION

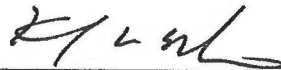
I, Thomas E. Skains and Karl W. Newlin, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Thomas E. Skains
President and CEO

Aug. 31, 2015

Date Signed



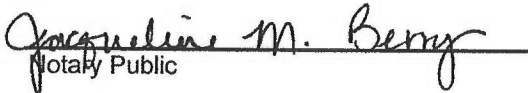
Karl W. Newlin
Senior Vice President and CFO

31 Aug 2015

Date Signed

Subscribed and Sworn to before me this

31st day of August, 2015.


Notary Public

My Commission Expires 11/29/2016.



CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email and UPS Overnight upon:

John Flitter
Tom Allen
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jflitter@regstaff.sc.gov
tallen@regstaff.sc.gov

And that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email or U.S. Mail upon:

Bruce Barkley
Vice President
Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
bruce.barkley@piedmontng.com

and

Pia Powers
Director - Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 2nd day of September, 2015.

/s/ Richard K. Goley
Richard K. Goley